South Dakota Public Utilities Commission Meeting Wednesday, March 7, 2007, at 9:30 A.M. Cactus Conference Room, PUC Offices, State Capitol Building Pierre, South Dakota

MINUTES OF THE AD HOC COMMISSION MEETING

Vice Chairman Hanson called the meeting to order. Present were: Commissioner Steve Kolbeck; Commission Advisor Greg Rislov; Commission Attorneys Rolayne Wiest and John Smith; Staff Attorneys Kara VanBockern and Karen Cremer; Staff Analysts Nathan Solem, Dave Jacobson, Brian Rounds, and Bob Knadle; and Administrative Secretary Demaris Axthelm.

Also present were Bob Miller, South Dakota Electric Utility Companies;

Joining the meeting by telephone were; Chairman Dustin Johnson, Tammy Aberle, Montana-Dakota Utilities Company; and James Wilcox, Xcel Energy.

Electric

1. EL07-005 In the Matter of the Filing by Northern States Power Company d/b/a Xcel Energy for Approval of Tariff Revisions. (Staff Analysts: Brian Rounds/Dave Jacobson, Staff Attorney: Kara Van Bockern)

Mr. James Wilcox, representing Xcel Energy explained that the 2005 Energy Policy Act contains a trial change in daylight savings time (DST) which results in a starting date of March 11 in 2007 instead of the first Sunday in April. He stated that meters for time of day rates are preprogrammed to switch to DST on the old date and that reprogramming costs are significant. Because this change in DST dates is a trial and not yet permanent, Xcel is proposing to leave the meters programmed as is and revise their tariff, for 2007, to reflect a change in on and off peak hours effective from the new daylight savings time implementation date to the date already programmed in the time of day meters. The tariff revisions also address the change of date of discontinuance of DST this fall. Mr. Wilcox explained affected customers have been notified of the proposed revisions. Mr. Brian Rounds of Commission Staff stated that because Xcel can avoid unnecessary costs if the change to DST is not made permanent, and since Xcel plans to reprogram its time of day meters if the DST change is made permanent, and because all customers are being notified of the schedule change, Staff recommends approval of the tariff revisions.

Vice Chairman Hanson moved to approve the tariff revisions in Dockett EL07-005. Commissioner Kolbeck seconded and Chairman Johnson concurred. Motion passed 3-0

2. EL07-006 In the Matter of the Filing by Montana-Dakota Utilities Co. for Approval of Tariff Revisions. (Staff Analysts: Brian Rounds/Dave Jacobson, Staff Attorney: Kara Van Bockern)

Ms. Tammy Aberle, representing Montana Dakota Utilities Company (MDU), stated that due to the trial change of Daylight Savings Time (DST) for one year and to avoid the unnecessary cost of changing preprogrammed Time of Date meters, MDU would like to wait and see if the DST change will be made permanent before MDU reprograms time of day meters. Ms. Aberle stated that a letter has been proposed for customers notifying them of the difference in on and off peak hours. Mr. Rounds stated because MDU can avoid unnecessary costs if the change to DST is not made permanent, and since MDU plans to reprogram the meters if the DST change is made permanent, and all customers are being notified of this change of schedule, Staff recommends approval of the tariff revisions.

Chairman Johnson moved to approve the Tariff Revision in Docket EL07-006. Commissioner Kolbeck seconded and Vice Chairman Hanson concurred. Motion passed 3-0

Mr. Dave Jacobson made the statement that staff had contacted all six of the electric utilities that the PUC regulates as all of them have time of date rates in one form or another. Out of the six utilities MDU and Northern States Power Company have filed. Ottertail Power and MidAmerican stated their meters have been programmed for the new DST change. Northwestern's only time of day rates are for irrigation which are not being used now and controlled off peak service with one customer which will be changed to another rate or whose meter will be reprogrammed before March 11, 2007. Staff did contact Black Hills and initially it indicated it was too busy to address the issue. Black Hills has since stated it intends to address the issue but has yet to file and has not explained how customers will be contacted. Chairman Johnson thanked Mr. Jacobson on giving the update on the other investor owned utilities and Chairman Johnson was glad to hear that Black Hills was planning on moving forward with the issue of DST.

Meeting adjourned.

Demaris Axthelm

Administrative Secretary